



Missouri Department of Natural Resources Energy Center

MISSOURI ENERGY BULLETIN

May 4, 2006

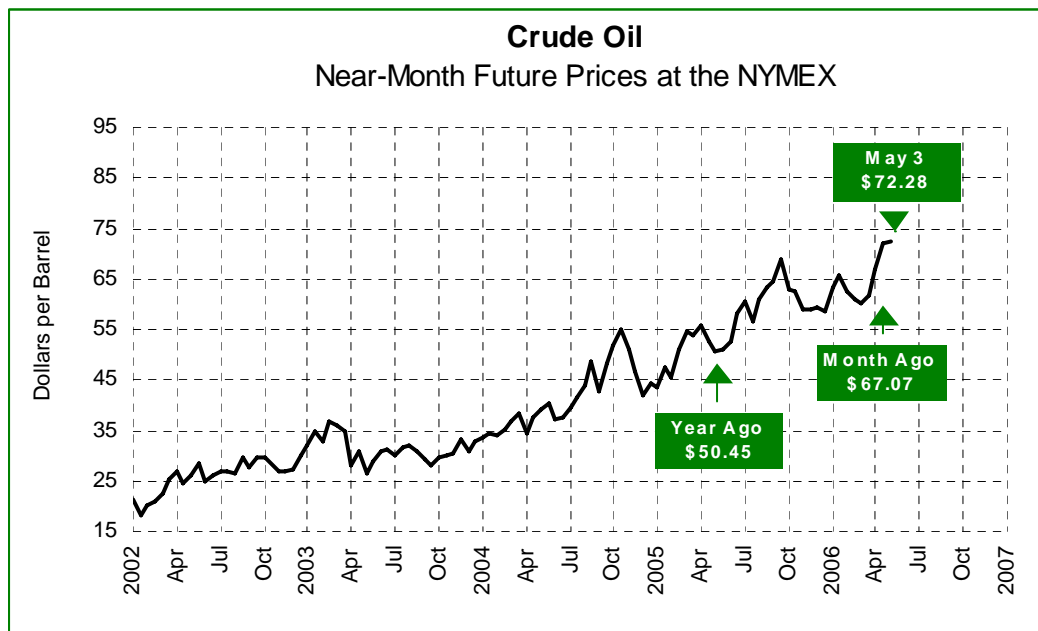
Crude Oil

On May 3, crude oil futures for June delivery on the NYMEX fell \$2.33 to settle at \$72.28 per barrel in response to improved U.S. gasoline production and supplies.

Crude Oil - Near Month Future Prices (dollars per barrel)

	<u>05-03-06</u>	<u>04-05-06</u>	<u>change</u>	<u>05-11-05</u>	<u>change</u>
NYMEX	\$72.28	\$67.07	up 8%	\$50.45	up 43%

- Crude oil futures for June delivery on the NYMEX ended \$2.33 lower on May 3 to settle at \$72.28 per barrel after the weekly EIA report showed an unexpected increase in gasoline inventories, easing trader worries about a supply crunch this summer when demand peaks. Gasoline inventories rose by 2.1 million barrels last week, countering expectations of a drop. It was the first increase in gasoline supplies since February. Oil prices have remained strong due to on-going militant attacks that have disrupted approximately 550,000 barrels per day (about 25 percent) of Nigeria's oil output, the world's 8th largest oil exporter and concerns over oil production in Iran as it continues uranium enrichment.



- U. S. crude oil supplies increased 1.7 million barrels to 346.7 million barrels for the week ending April 28, and are 19.7 million barrels or 6 percent higher than last year at this time. Crude supplies improved due to slightly lower refinery runs that offset fairly flat imports and continued recovery of

U.S. production in the Gulf Region damaged during last year's hurricanes. Crude supplies are at their highest level since Memorial Day Weekend of 1998. The U.S. Minerals Management Service (MMS) reports that as of Wednesday, May 3, approximately 324,000 barrels or 21.63 percent of the Gulf's 1.5 million barrels per day of crude production continues to be shut down following the hurricanes.

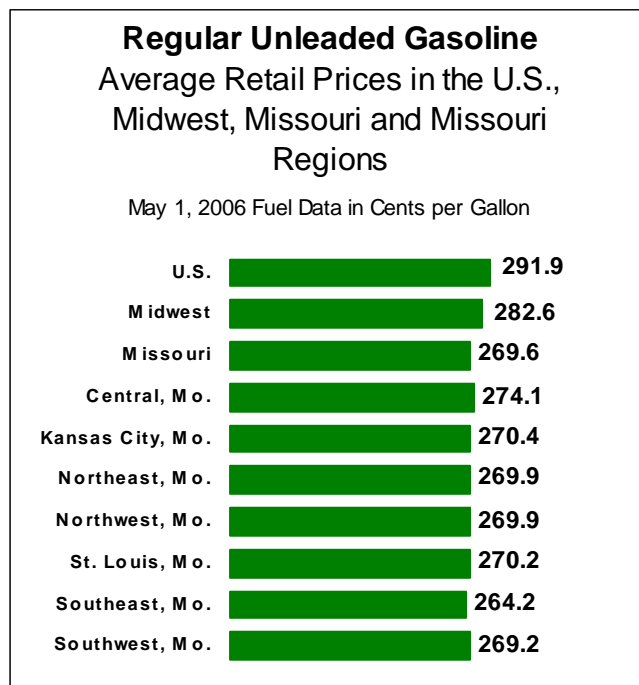
- For the week ending April 28, U.S. crude oil production remained relatively unchanged at 5.1 million barrels per day, but below the 5.4 million barrels per day reported at this time last year. Crude imports fell slightly to 9.81 million barrels per day compared to 10.26 million barrels at this time last year.
- Refinery runs improved at 88.8 percent of capacity as more U.S. refineries restart operations or improve production levels following seasonal maintenance before the summer driving season. Weekly refinery utilization increased slightly to 15.04 million barrels of crude oil per day compared to nearly 15.4 million barrels at this time last year.

Transportation Fuels

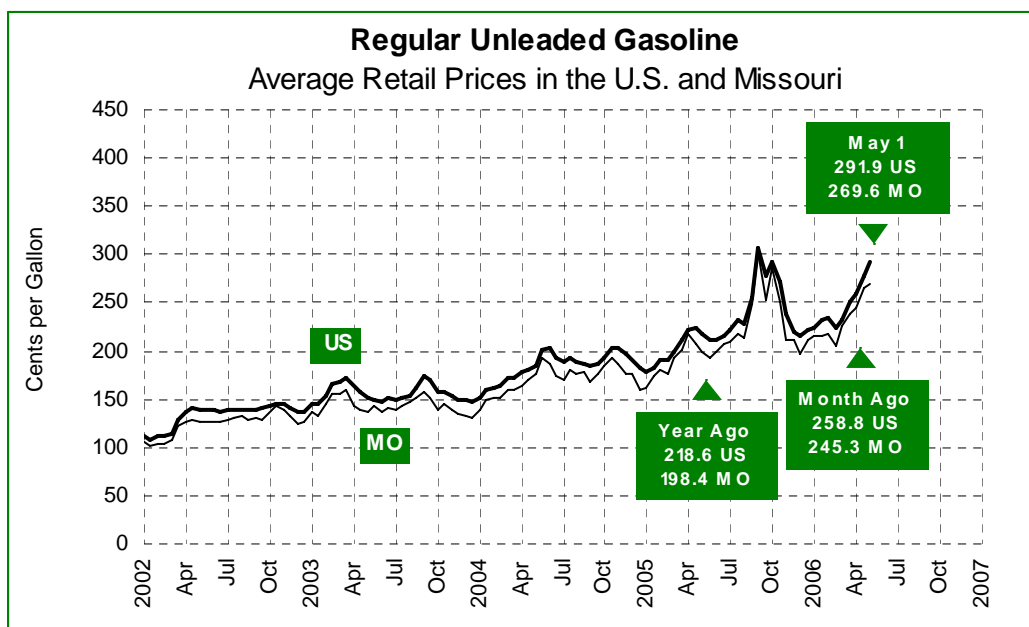
On May 1, Missouri's average retail price for regular unleaded gasoline was \$2.69 while diesel fuel was \$2.79 per gallon, an increase of 10 percent and 11 percent, respectively, compared to this time last month.

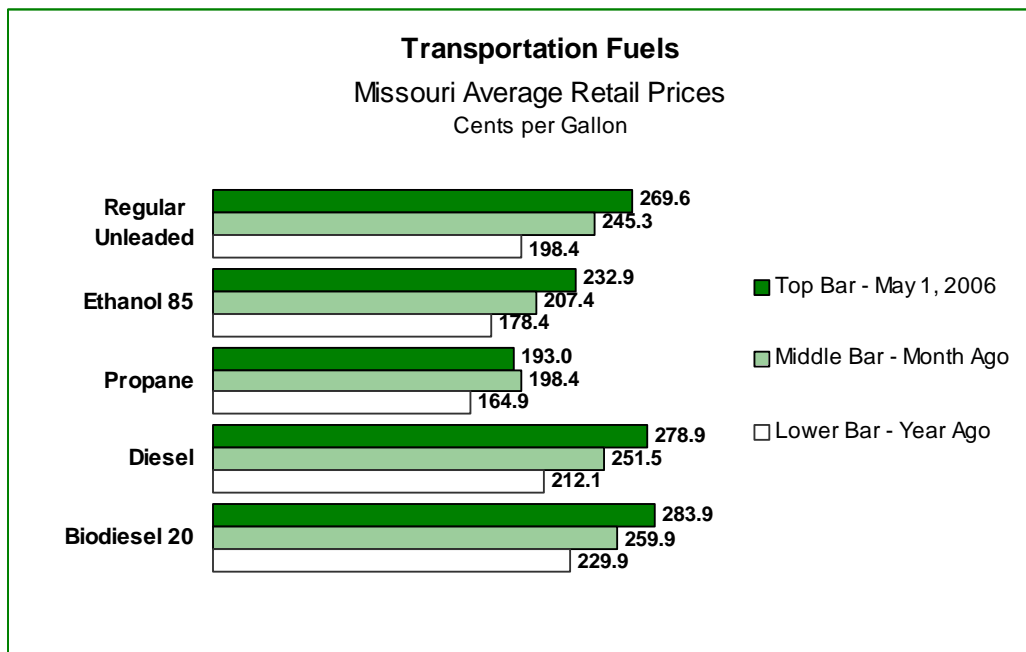
<i>Regular Unleaded Gasoline - Retail Prices (cents per gallon)</i>					
	<u>05-01-06</u>	<u>04-03-06</u>	<u>change</u>	<u>05-09-05</u>	<u>change</u>
US	291.9	258.8	up 13%	218.6	up 34%
Missouri	269.6	245.3	up 10%	198.4	up 36%

<i>Diesel Fuel - Retail Prices (cents per gallon)</i>					
	<u>05-01-06</u>	<u>04-03-06</u>	<u>change</u>	<u>05-09-05</u>	<u>change</u>
Missouri	278.9	251.5	up 11%	212.1	up 31%



- On May 1, Missouri's statewide average gasoline retail price was up \$0.24 while diesel retail prices were up \$0.27 from last month. Transportation fuel prices increased at the NYMEX and spot markets in the Gulf Region. Contributing factors include higher crude prices, concerns about foreign crude oil production, lower gasoline supplies and fuel supply disruptions in the Mid-Atlantic and Northeast Regions as the nation moves from winter to summer grades and continues the transition to ethanol reformulated gasoline.
- Gasoline supplies are down 10.8 million barrels or 5.1 percent from a year ago. For the week ending April 28, U.S. gasoline stocks increased 2.1 million barrels to 202.7 million barrels. During the last six weeks, supplies declined nearly 19 million barrels. Implied demand for gasoline increased 87,000 barrels per day last week, but the four-week aggregate number is the same as last year. Gasoline imports fell slightly by 0.32 million barrels per day, but U.S. gasoline output increased to 8.6 million barrels per day after falling to 7.8 million for the week ending April 7.





- Distillate stocks, which include heating oil and diesel fuel fell by 1.1 million barrels to 114.5 million barrels. The decline was accounted for almost entirely by diesel. The slight increase in distillate production was offset by lower imports and demand that grew to nearly 4.2 million barrels per day, from 3.9 million barrels per day the week before.

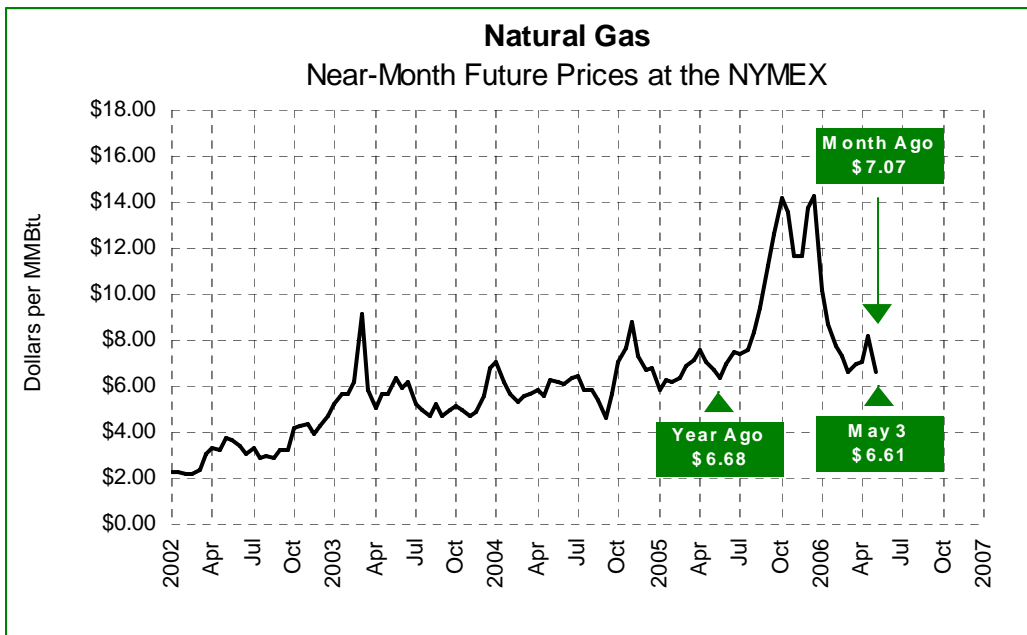
<i>Motor Gasoline - Total Stocks (millions of barrels)</i>					
	<u>04-28-06</u>	<u>03-31-06</u>	<u>change</u>	<u>05-06-05</u>	<u>change</u>
US	202.7	211.8	down 4%	213.7	down 5%

Natural Gas

On May 3, natural gas futures closed at \$6.61 per MMBtu, a decrease of 6 percent or \$0.46 since last month.

<i>Natural Gas - Near Month Future Prices (dollars per mmbtu)</i>					
	<u>05-03-06</u>	<u>04-05-06</u>	<u>change</u>	<u>05-11-05</u>	<u>change</u>
NYMEX	\$6.61	\$7.07	down 6%	\$6.68	down 1%

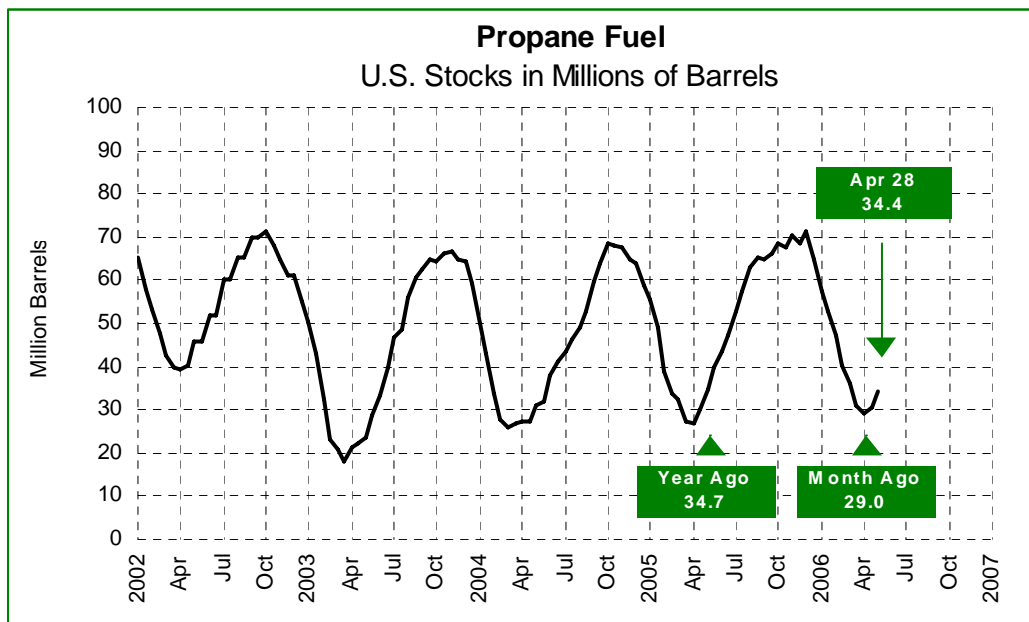
- Natural gas spot prices decreased at virtually all U.S. market locations for the week, reflecting moderate temperatures that likely reduced late-season space heating demand and early-season air conditioning load. The declines, ranging from 20 and 70 cents per MMBtu, occurred despite increases in crude oil prices that remain near record-high levels. The NYMEX futures contract for June delivery fell \$0.67 per MMBtu or 9 percent during the week to close at \$6.61 per MMBtu on May 3.
- Working gas inventories increased to 1,904 Bcf as of Friday, April 28, according to EIA's Weekly Natural Gas Storage Report. After 4 consecutive weeks of net injections, stocks were 699 Bcf, or about 58 percent, above the 5-year average inventory level for this week. As of May 3, the U.S. Minerals Management Service estimated that nearly 1.3 billion cubic feet per day or approximately 13 percent of the Gulf's natural gas production remains shut down.



Propane

Missouri's average retail propane price was \$1.62 per gallon on May 1, an increase of 12 percent, or \$0.17 from May 2005.

Propane - Residential Prices (cents per gallon)					
	05-01-06	04-03-06	change	05-09-05	change
Missouri	162.0	160.9	up 1%	145.0	up 12%



- U.S. supplies of propane increased 1.5 million barrels, settling at 34.4 million barrels as of April 28, 2006. Midwest inventories improved by over one million barrels to 14.36 million barrels for the week

ending April 18. Inventories stood at 11.25 million barrels at this time last year.

The Missouri Energy Bulletin is distributed twice a month by the Missouri Department of Natural Resources, Energy Center. The Energy Center collects transportation and propane heating fuel prices from several retail providers located throughout the state. To preserve confidentiality, price data are averaged and reported by region. The Bulletin is a public resource made available to state government decision-makers, other interested individuals upon request and on-line at the Energy Center Internet address. The department thanks each of the following in helping to provide accurate, timely data on fuel supplies and prices: the U.S. Department of Energy's Energy Information Administration; the National Association of State Energy Officials; the St. Louis AAA Auto Club; regional state energy offices; and Missouri's energy retailers.

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